BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation into Statements by SBC Communications, Inc. and SBC Pacific Bell Regarding Potential Reductions to Service Quality.	Investigation 02-11-008 (Filed November 8, 2002)

ADMINISTRATIVE LAW JUDGE'S RULING REQUIRING PARTIES TO INDICATE WHETHER THIS PROCEEDING SHOULD BE TERMINATED

On November 7, 2002, the Commission issued Order Instituting Investigation 02-11-008 (Order). The purpose of this proceeding is to determine whether workforce reductions announced by SBC Communications, Inc., (SBC), parent of SBC California, will have any adverse effect on the quality of service provided by SBC California to its retail and wholesale customers or on SBC California's other obligations as a regulated telecommunications carrier.

The Order required SBC California to respond to detailed questions concerning (1) statements by SBC and SBC California to the effect that the workforce reductions may or will harm service quality, (2) whether the workforce reductions are likely to lead to diminished service quality in California in either the short or long term, and (3) whether the workforce reductions are likely to diminish the ability of SBC California and its affiliates to meet their obligations and furnish timely information to the Commission, including such items as audit information, responses to general information requests, service quality data, and other monitoring reports.

The Commission preliminarily determined that the scope of this proceeding was (1) to determine the impact of the announced workforce reductions on the ability of SBC California to serve its retail and wholesale customers and otherwise meet its regulatory obligations and (2) based on such determinations, to take any steps the Commission may find necessary. The Order stated that the final scope of this proceeding would be determined in one or more scoping rulings to be issued by the Assigned Commissioner. The Order further preliminarily determined this to be a "ratesetting" proceeding and that there may be a need for evidentiary hearings.

The Order directed SBC California to provide verified responses to the questions in Attachment A of the Order. The Order also directed parties to file comments on the Order and SBC California's responses to the Attachment A questions. The Order invited parties to address whether the Commission should take any steps to protect retail or wholesale service quality and, if so, what those steps should be, as well as whether the Commission should take steps to ensure SBC California meets its other regulatory obligations and, if so, what those steps should be. Parties were directed to include in their opening comments any objections they had regarding (1) the preliminary determination that evidentiary hearings are required and (2) the preliminary scope and timetable for this proceeding.

Verified responses to the questions in Attachment A to the Order were filed by SBC California. Thereafter, opening comments were filed by the Office of Ratepayer Advocates (ORA), SBC California, SBC Advanced Solutions (ASI), AT&T Communications of California Inc. (AT&T), The Utility Reform Network (TURN), and Latino Issues Forum. Reply comments were filed by ORA, SBC California, ASI, AT&T, TURN, Telscape Communications, Inc., and Latino Issues

Forum. SBC California also responded to data requests by ORA and the Commission's Telecommunications Division.

The Assigned Commissioner's April 10, 2003 scoping memo and ruling (scoping ruling) refined and clarified the scope of the proceeding in response to the parties' comments. It stated that the scope of this proceeding is limited to determining what impact the workforce reductions have had or are likely to have on service quality provided by SBC California and ASI (Respondents) to their wholesale and retail customers in California. To make this determination, Respondents' quality of service to their wholesale and retail customers was to be assessed for the period beginning January 1, 2001 and ending December 31, 2002 (baseline period). Service quality for the baseline period would then be compared with service quality from January 1, 2003 through December 31, 2004 (test period).

The scoping ruling identified service quality measures and data sources that would be used to test changes in service quality to retail customers for both the baseline period and the test period and required Respondents to provide data to the parties.

The scoping ruling also provided that the effect of layoffs on service to wholesale customers would be measured by reference to the existing reports required of SBC by the Performance Incentive Plan (PIP). SBC was required to furnish all parties with copies of its PIP reports simultaneously with their delivery to the Commission.

In addition to the above information, Respondents were required to supply all parties with:

1) a list of jobs, including job titles and descriptions, that have been or will be eliminated as part of the workforce reductions

that provided support to Respondents' California operations, together with a head count of employees laid off for each such job category;

2) a list of jobs, including job titles and descriptions, that have been or will be eliminated by its affiliate SBC Services, Inc. as part of the workforce reductions, together with a head count of employees laid off for each such job category; and

3) the total number of monthly overtime hours worked by Respondents' California employees engaged in providing customer service for each month from January 1, 2002 through March 31, 2003.

On August 12, 2003, the Assigned Commissioner issued a ruling that, among other things, dismissed ASI from this proceeding, and identified the test period as January 1, 2003 through December 31, 2003. The ruling also provided that SBC's JPSA filings would be used to measure service quality and that discovery would conclude on March 30, 2004.

On August 31, 2005, the Telecommunications Division (TD) issued its report on its analysis of the base year and test year data. The report is included as Attachment A to this ruling. While TD found some areas where service quality had declined, it did not indicate any correlation between service quality and the SBC workforce reductions that are the subject of this investigation. As a result, I intend to recommend that this proceeding be closed, unless the parties can demonstrate that it should remain open. Therefore, I will require any party who believes that this proceeding should remain open to provide a full and complete explanation of why this is the case.

Since discovery has been closed for over a year, I presume that the parties have analyzed the data and could be ready for hearings in a short period of time. I also assume that any parties who desire to keep the proceeding open have determined that the workforce reduction led to specific service quality reductions. Therefore, parties desiring to keep this proceeding open should provide answers to the following questions in their responses to this ruling:

- Which positions affected by the workforce reduction caused a reduction in service quality as identified by a particular measure of service quality? The response should include an explanation of how the workforce reduction caused the service quality reduction, and how the party reached this conclusion.
- Why is the reduced level of service quality unreasonable?
- What, if anything, should be done to remedy the service quality reduction?
- Should a penalty be imposed? If so, explain why it should be imposed, the amount of the penalty, and how it was determined.
- Are hearings necessary? If they are, what use would the party make of them?

IT IS RULED that:

1. Any party who believes that this proceeding should not be closed should provide a full and complete explanation of why it should remain open. The explanation should include comprehensive answers to the questions listed above.

2. Responses to this ruling shall be filed and served no later than November 14, 2005.

Dated October 21, 2005, at San Francisco, California.

/s/ JEFFREY P. O'DONNELL
Jeffrey P. O'Donnell
Administrative Law Judge

ATTACHMENT A

REPORT ON RESULTS OF ANALYSIS OF BASE YEAR AND TEST YEAR DATA – OII 02-11-008, IMPACT OF SBC LAYOFFS

Telecommunications Division – August 31, 2005

I. Background and Summary

On November 7, 2002, the Commission issued Order Instituting Investigation 02-11-008 (Order). The purpose of the proceeding established by the Order is to determine whether workforce reductions announced by SBC Communications, Inc., (SBC), parent of SBC California, will have any adverse effect on the quality of service provided by SBC California to its retail or wholesale customers or on SBC California's other obligations as a regulated telecommunications carrier.

The Telecommunications Division (TD) reviewed the 2002 base year data and 2003 test year data provided by SBC in this proceeding and determined that there are five measures where, when the test year data is compared to the base year data, there is enough of a decline in quality of service to cause TD major concern. One example is Answer Time in Seconds for the Business Office, where the answer time more than doubled from 80 seconds in May of the base year to 185 seconds in May of the test year. There are four measures where the decline in service quality causes TD moderate concern, one example of which is Average Completed Interval for Residence Customers which increased from a yearly average of 1.8 days in the base year to a yearly average of 2.13 days in the test year. The other measures showed minimal decline or a small improvement in service quality, such as Percent Troubles Within 10 Days for Plain Old Telephone Service (POTS) Orders for Residential Customer which shows a decline from 1.46% in the base year to 2.00% in the test year.

TD, however, was not able to draw a direct correlation between the decline in service quality identified by the comparison of base year data and test year data and the reduction in workforce. There are a large number of factors, such as weather, unanticipated customer demand, breakdowns in plant, fires, floods, etc., in addition to force reductions, that in any combination can impact service quality. In particular, the "winter" period of November through February of each year show, for many of the measures, a spike in service quality problems, presumably due to bad weather. To account for seasonal variations, TD uses yearly averages, in addition to monthly comparisons, in analyzing the data. TD was not able to isolate the degree of impact from any specific factor in its analysis.

Although TD was not able to draw a direct correlation between the identified declines in service quality and the force reductions, TD was concerned about the declines and decided that it was important to determine whether the measures that showed a significant or moderate decline in service quality in 2003 improved or continued to decline in 2004. To make this determination, TD included 2004 data in its analysis of those measures showing a significant or moderate decline in service quality in 2003.

II. Determination of Performance Measures to Be Reviewed

Commissioner Wood laid out the scope of the proceeding in the "Scoping Memo and Assigned Ruling of the Assigned Commissioner," dated April 10, 2003, transcript of the Proceeding Workshop held May 21, 2003, and, "Ruling of Assigned Commissioner on Motion to Reconsider Scoping Memo," dated August 12, 2003. Specifically, numerous service quality measures and data sources were identified to be used to test changes in service quality to retail customers for both the Baseline Period and the Test Period under review.

The data sources identified were General Order (GO) 133-B, Merger Compliance Oversight Team (MCOT) data, and JPSA[1] data, which is reported by SBC to the Commission so that SBC's service quality performance to its retail customers can be

[1] "JPSA measures" refers to the performance measures adopted in the Joint Partial Settlement Agreement (JPSA) approved in D.01-05-087 dated May 24, 2001. SBC, through its Pacific Bell operating subsidiary, was a party to the JPSA. The JPSA was entered into by SBC and the other settling parties as a way of achieving the objectives of Investigation 97-10-097 which the Commission summarized as:

a. to determine reasonable standards of performance for Pacific and Verizon in their Operating Support Systems (OSS);

b. to develop a mechanism that will allow the Commission to monitor improvements in the performance of OSS; and

c. to assess the best and fastest method of insuring compliance if standards are not met of improvement is not shown.

According to the settling parties, the JPSA measures "represent their best efforts to ensure that OSS performance measurements and standards reflect the requirements of the real world." The present investigation is likewise concerned with establishing the real world consequences of SBC's layoffs on service quality. As SBC itself recognized at the time of entering the JPSA, these measures shed valuable light on performance that is not necessarily revealed by GO 133-B measures." (Ruling of Assigned Commissioner on Motion to Reconsider Scoping Memo dated August 12, 2003, in I.02-11-008, footnote 10, pp. 6 and 7.)

compared to SBC's service quality performance to its wholesale customers, to ensure no particular customer class is getting better service. The JPSA data we reviewed in this proceeding is the service quality performance data SBC reports on its performance to its retail customers.

The Baseline Period was to begin January 1, 2002, and end December 31, 2002. Service quality for the Baseline Period would then be compared with service quality from the Test period, which was to begin January 1, 2003, and end December 31, 2003. The results from the comparisons of data from the following Service Quality Measures and Data Sources were used to test whether there were changes in service. The specific service quality measures and their data sources identified to be used in this investigation are:

Service Quality Measure	Data Source
Installation	
Percent orders completed within 5 days	MCOT Reports
Percent orders completed by due date	GO 133B Reports
Average Completed Intervals Broken down by "Field Work" and "No Field Work"	JPSA Reports
Percent due dates missed Broken down by "Field Work" and "No Field Work"	JPSA Reports
Held Order Interval	JPSA Reports
Trouble Report Performance	
Number of trouble reports / 100 lines	GO 133B Reports
Number of repeat trouble reports / 100 lines	MCOT Reports
Number of out-of-service reports / 100 lines	MCOT Reports
Percent repair commitments met	MCOT Reports
Percent services restored within 24 hours	MCOT Reports
Number of service affecting reports / 100 lines	MCOT Reports
Percentage Trouble in 10 Days for Non-Special (POTs) Orders	JPSA Reports
Customer Trouble Report Rates	JPSA Reports
Percent of Customer Trouble Not Resolved Within Estimated Time – Broken down by "Dispatch" and "No Dispatch"	JPSA Reports

Average Time to Restore – Broken down by “Dispatch” and “No Dispatch”	JPSA Reports
POTS Out of Service Cleared < 24 Hours	JPSA Reports
Frequency of Repeat Troubles within 30 Days	JPSA Reports

Answer Time Performance

Average answer time (seconds)	MCOT Reports
Percent Calls Abandoned	MCOT Reports
Percent Calls Receiving Busy Signals	MCOT Reports

Outages

Number of Outages Reported / Month	NRF Monitoring Reports
Average Outage Duration	NRF Monitoring Reports

Other

Customer Complaints	CPUC
Customer Service Surveys	CPUC

III. Discussion

TD was tasked with comparing the service quality data from the 2003 test period to the service quality data from the 2002 base period for each measure. TD prepared a graph for each service quality measurement, comparing the test period to the base period. TD then reviewed the graphs for trends indicating any major changes in services quality to retail customers. TD also reviewed the yearly averages for each measure. In addition, TD reviewed the percentage change between the average performance in the base year and the average performance in the test year for each measure. The percentage change information is presented in Attachment I to this report.

Most of the graphs of the service quality data showed no major trend change in the service to retail customers. Most of the graphs showed that performance would vary through out the comparison period with improvement in service quality showing some months and decrease in service quality showing other months. TD’s review of the percentage change in performance between the base year and the test year bears out that on the average, there was no significant change in performance between the base year and test year for most measures.

However, there were five service quality measures that cause concern. The first three measures are related to Answer Time Performance. The measures of concern are Business Office Average Answer Time (MCOT), Business Office Percent Calls Abandoned (MCOT), and, Business Office Percent Calls Receiving Busy Signals

(MCOT). The other two measures are Percent Services Restored Within 24 Hours (MCOT) for both Residence and Business customers.

Although the scoping memo requires that 2002 Base year data and 2003 test year data be evaluated as part of this analysis, TD decided to also review 2004 data for those measures that showed a significant or moderate decline in service quality in order to determine whether the downward trend in service quality identified in 2003 continued into 2004, or whether the problems causing the downward trends appeared to be resolved.

IV. Answer Time Performance Measures

The Answer Time Performance Measures for the Business Office indicate that there were some serious problems in the Business Office during April through October 2003. Problems were indicated in all three categories, Average Answer Time, Percent Calls Abandoned and Percent Calls Receiving Busy Signals.

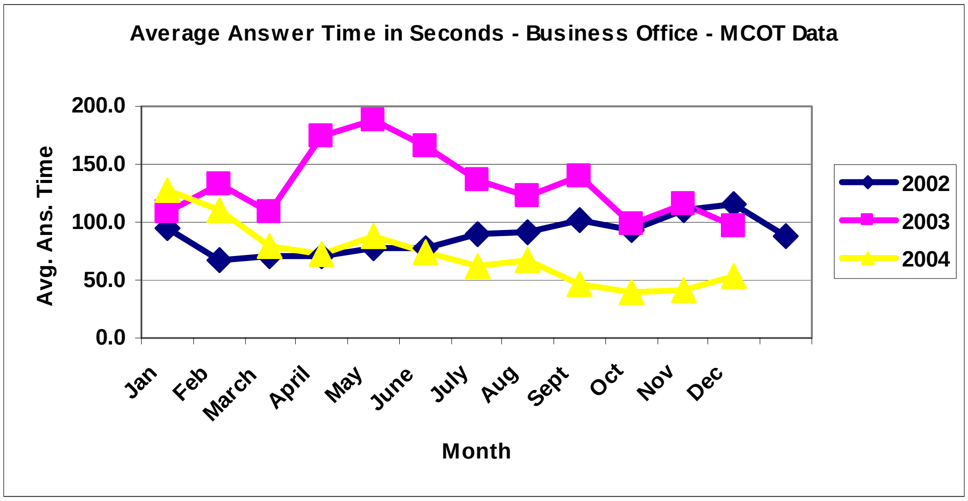
During the same time period, the Answer Time Performance Measures for the Repair Office show improvement in service for all three categories, Average Answer Time, Percent Calls Abandoned, and Percent Calls Receiving Busy Signals. TD concluded that improvement in service for all categories of service in the Repair Office, compared to a significant deterioration in service for all categories in the Business Office, could indicate a problem with the allocation of limited staff to cover both offices.

However, when 2004 data for all three categories in the Business Office are taken into consideration, the results indicate a significant improvement in service quality in all three categories. In addition, all three categories of service in the Repair Office either generally remain the same, or continue to show improvement, indicating that if there was a staff allocation problem, it appears to have been resolved.

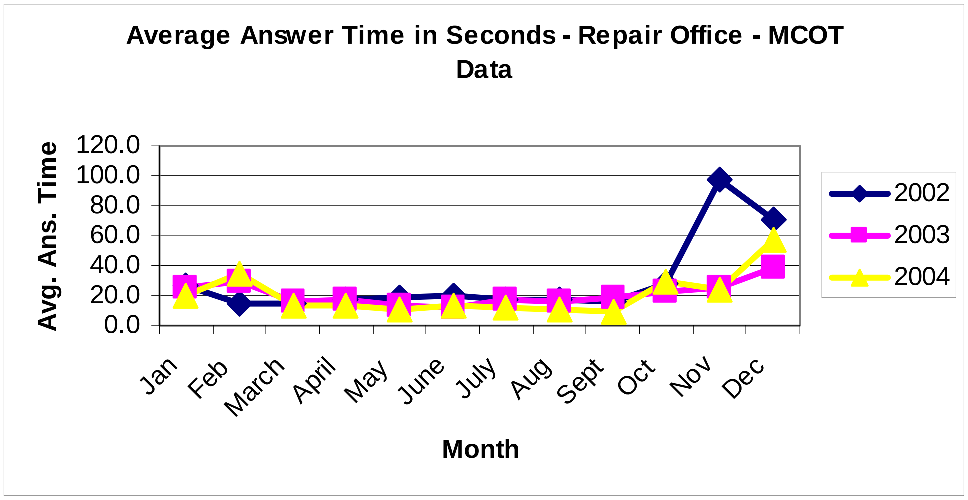
A. Average Answer Time in Seconds – MCOT Data

The Average Answer Time in Seconds for the Business Office increased dramatically from base period to the test period, more than doubling from 80 seconds per call in May 2002 to 185 seconds per call in May 2003. This dramatic increase is also reflected in the yearly average data, where the average answer time for calls into the Business Office in 2002 was 88.4 seconds compared to the average answer time for 2003 of 132.4 seconds, a 49.8% increase.

However, consideration of the 2004 data for this measure significantly changes the picture. The Average Answer Time in Seconds for the Business Office starts at a high of 128 seconds in January 2004, but follows a steady trend of improvement, with a low of 39 seconds in October 2004, and ending with an average answer time of 53 seconds in December of 2004. In addition, the yearly averages indicate the same trend of improvement with a 72.08 seconds yearly average answer time in 2004 which is significantly lower that the 132.4 seconds yearly average answer time in 2003 and a strong improvement on the 88.4 seconds yearly average answer time in 2002.



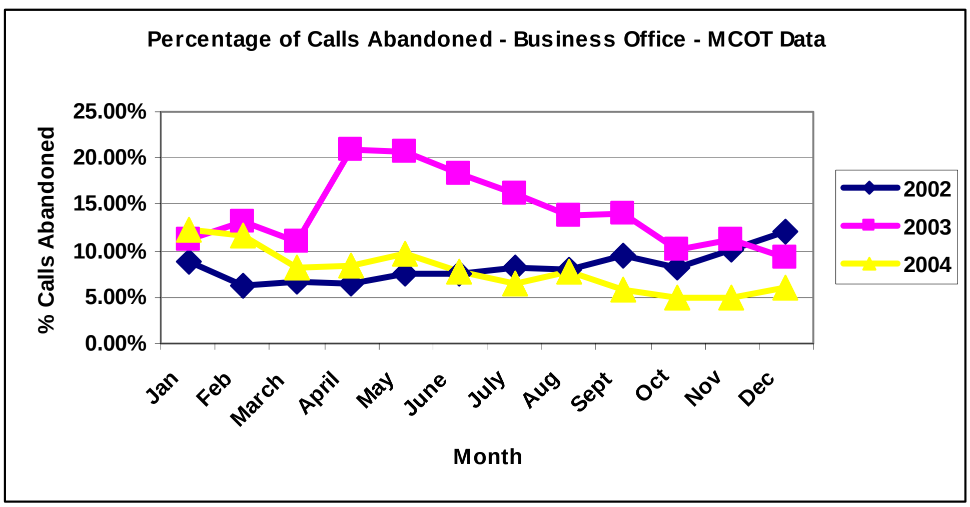
During the 2002 and 2003 time period, the service quality level for Answer Time Performance in the Repair Office was showing improvement. Specifically, the yearly Average Answer Time for Calls into the Repair Office in 2002 was 29.8 seconds, compared to a yearly average time of 20.9 seconds in 2003. In 2004, the yearly average answer time was 20.8 seconds, which is a very slight improvement over 2003 and shows a steady continuance of the improvement realized in 2003.



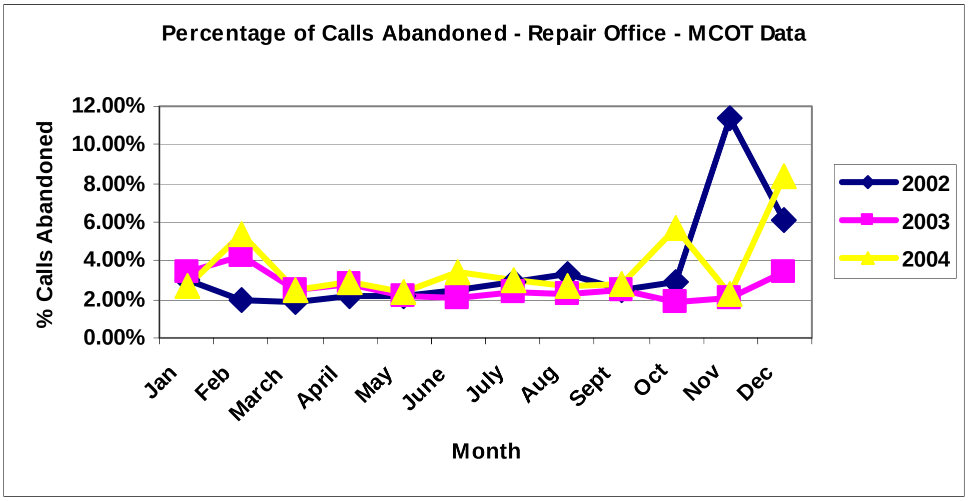
B. Percentage of Calls Abandoned – MCOT Data

The Percentage of Abandoned Calls to the Business Office tripled from 7% in April 2002 to 21% in April 2003. This indicates that more than 1/5 of all the calls attempted into the Business Office during April 2003 were abandoned. However, by April 2004 the percentage of Abandoned Calls to the Business Office showed significant improvement by declining to 8.3%, and then in the last third of 2004, was less than anytime in 2002 or 2003, at 4.9 – 5.0%.

The yearly average percentage of Abandoned Calls to the Business Office was 8.3% in 2002, climbed to14.2% in 2003, and then declined to 7.8% in 2004, consistent with the trend indicated by the monthly comparisons.



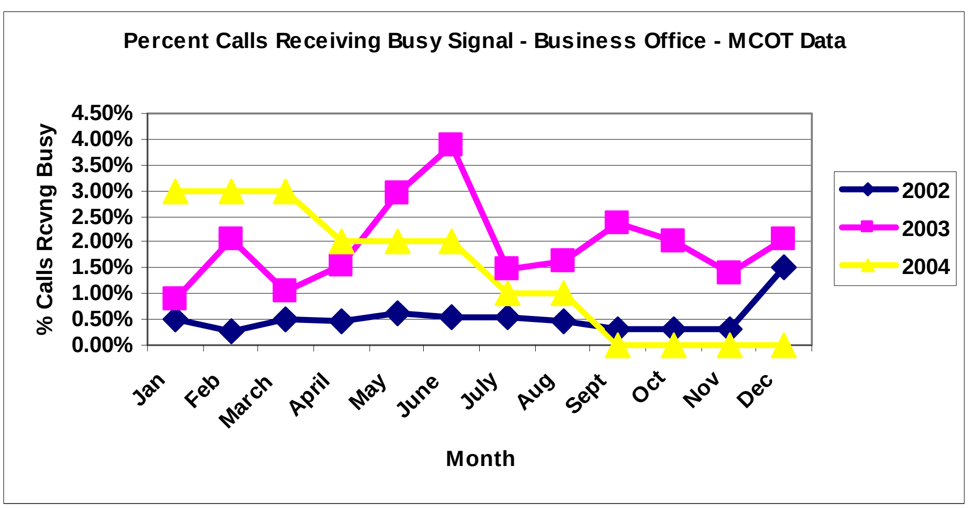
During the same time period, the average number of Abandoned Calls to the Repair office was also showing improvement. The yearly average percentage of Abandoned Calls into the Repair Office 2002 was 3.6%, compared to 2.6% average of Abandoned Calls in 2003. However, in 2004 the average percentage of Abandoned Calls increased to 3.7%, which is slightly worse than the average in 2003, but not enough to warrant concern.



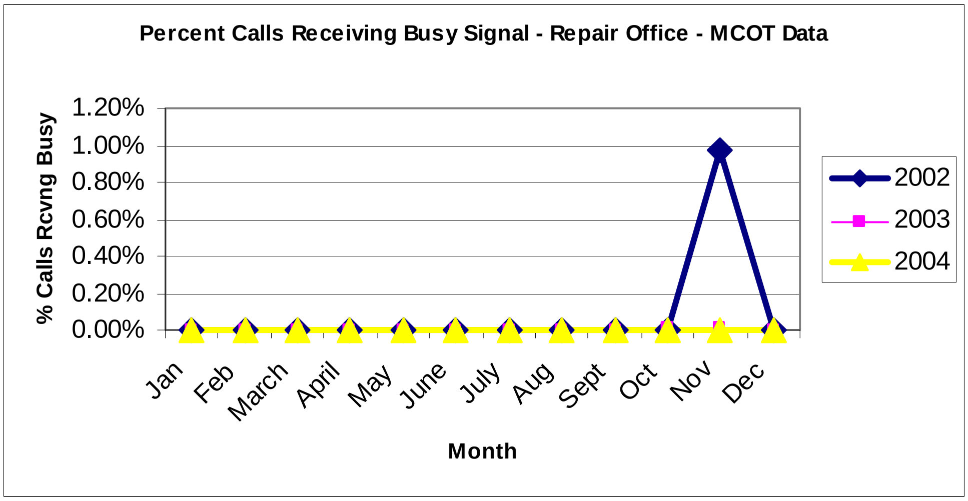
C. Percent of Calls Receiving Busy Signals – MCOT Data

The Percent Calls to the Business Office Receiving Busy Signals showed an eight fold increase from 0.6% in June 2002 to 3.9% in June 2003, as indicated in the graph below. However, by June 2004, the Percent Calls to the Business Office Receiving Busy Signals had declined to 2.0%, a significant reduction from June 2003, albeit, still higher than June 2002.

The yearly average for 2002 was 0.5% of the Calls into the Business Office Receiving Busy Signals, the yearly average for 2003 was 1.9%, and the yearly average for 2004 was 1.4%, consistent with the trend indicated by the monthly comparisons.



During the same time period, the yearly average percentage of Calls into the Repair Office Receiving Busy Signals was 0.1% in 2002, compared to a yearly average of 0.0% Calls Receiving Busy Signals in 2003. A yearly average of 0.0% continued into 2004, showing sustained improvement.



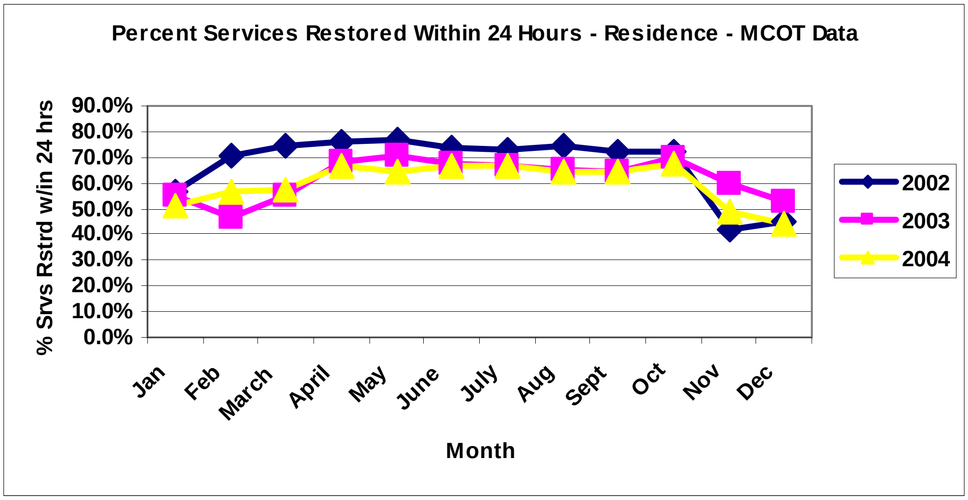
IV. Percent Services Restored Within 24 Hours

SBC was required to provide data on Percent Services Restored within 24 Hours from two sources, MCOT Reports and JPSA Reports. The two reports differ in the definition used for basic service. MCOT defines basic service for business and residence as POTS, Centrex, ISDN, PBX and Coin. JPSA defines basic service for business and residence services simply as POTS.

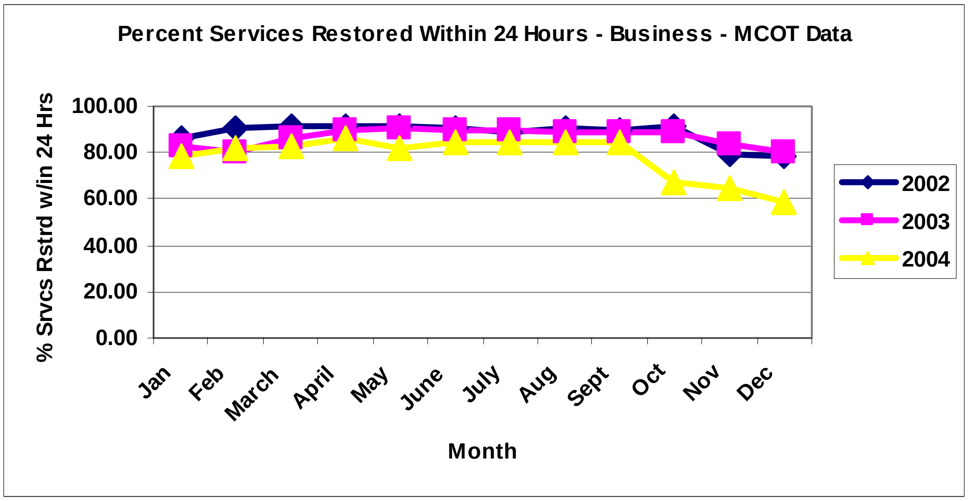
A. MCOT Reports –

MCOT data shows that the Percent of Residence Customers who had their Service Restored Within 24 Hours had declined in the test year as compared to the base year. As shown in the graph below, in 2002, Residence customers had their service restored within 24 hours 42% to 76.7% of the time, with a yearly average of 67.24%. In 2003, the percentage had declined to the point where residence customers had their service restored within 24 hours 46.5% to 70.5% of the time, with a yearly average of 61.73%. In 2004, the service quality continued to decline with the Percent of Customers who had their Service Restored within

24 Hours range between 44.2% to 67.5% of the time, with a yearly average of 60%.



Comparatively, the Percent of Business Customer who had their Service Restored Within 24 Hours experienced only a slight decline in service during the test year as compared to the base year. In 2002, Business customers having their service restored within 24 hours 78% to 91% of the time, with a yearly average of 88%. 2003 was slightly worse for business customers in that they had their service restored within 24 hours 80% to 90% of the time, with a yearly average of 86%. However, that decline in service quality continued into 2004, with Business customers having their service restored within 24 hours 59% to 87% of the time, with a yearly average of 78%.

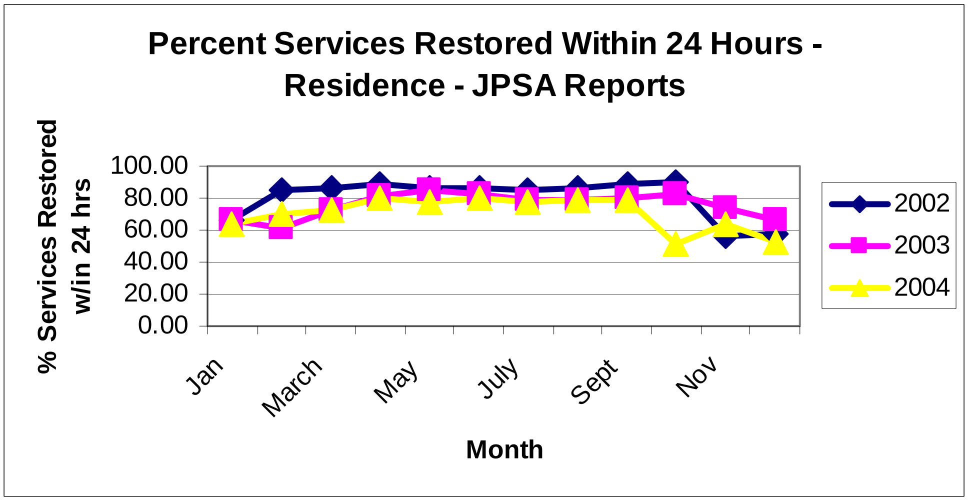


Based on the above data, TD is concerned that the percentages of restoration of service within 24 hours for residence customers is at an alarmingly low level. The yearly average was 67.2% in 2003, 61.7% in 2003, and 60% in 2004. These percentages seem particularly low when compared to the yearly averages for business customers of 88.3% in 2002, 86.6% in 2003, and 78.3% in 2004. However, the continued decline of service quality for business customers is also of concern to TD.

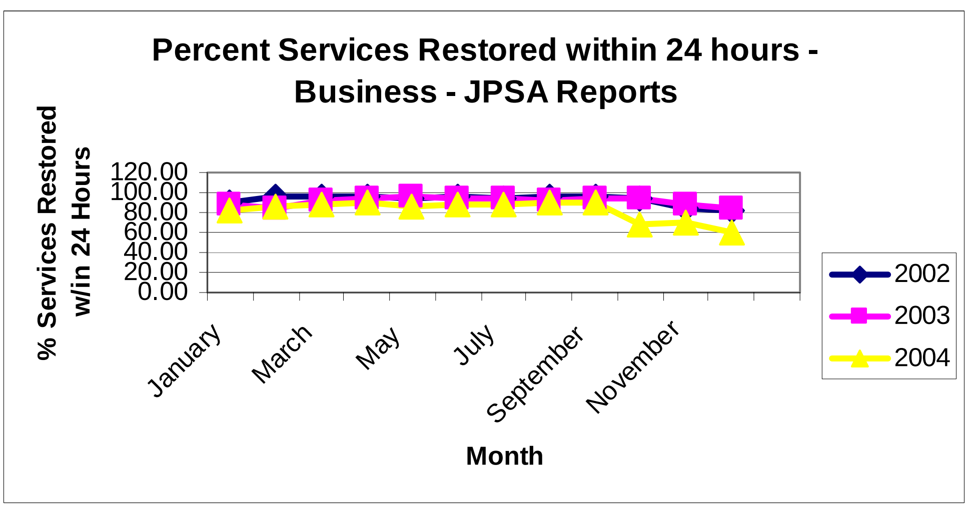
TD acknowledges that there currently is no MCOT standard or benchmark in place that allows us to definitively state that SBC is not providing an adequate level of restoration of service within 24 hours for its residence customers, and possibly for its business customers. TD also acknowledges that it is unable to correlate this decline in service with the force reductions. However, even without an official standard or benchmark, a low of 44.2% for residence customers and 59% for business customers in 2004, seems to TD to be an unacceptably low percentage of customers, both residence and business, who have their service restored within 24 hours.

B. JPSA Reports –

JPSA data shown in the graph below also indicates that the Percent of Residence Customers who had their Service Restored Within 24 Hours has declined in the Test year compared to the Base Year. In 2002, residence customers had their service restored within 24 hours 55.9% to 89.7% of the time, with a yearly average of 80.3%. In 2003, the percentage had declined to the point where residence customers had their service restored within 24 hours 61.6% to 85.4% of the time, with a yearly average of 75.9%. The decline in service quality continues into 2004 with Residence Customers having their Service Restored Within 24 hours 50.7% to 80% of the time, with a yearly average of 70.3%. This trend, while not quite as worrisome as the same measurement using MCOT data, still shows an unacceptably low percentage of customers who have their service restored within 24 hours.



The JPSA data graph for business customers shown below also indicate that the Percent of Business Customers who had their service Restored Within 24 hours had declined in the Test year compared to the Base year. The yearly average for business customers in 2002 was 92.6%, compared to a yearly average for business customer of 91.3% in 2003. Then the yearly average for 2004, 82.2%, shows a significant decrease in the percentage of business customers who had their service restored within 24 hours.



V. Other Measures Showing Moderation Declines in Quality of Service

There are four additional measures that show a moderate decline in quality of service. TD is somewhat concerned about the levels of decline in the provision of the following services: Average Completed Interval for Residence Customers (Field Work – JPSA); Held Order Interval for both Residence and Business customers (JPSA); and, Percent Trouble Not Resolved Within the Estimated Time for Business customers (Dispatched – JPSA).

A. Average Completed Interval (Field Work - JPSA) Residence Customers

The Average Completed Interval for residence customer increased from a yearly average of 1.8 days in 2002 to a yearly average of 2.13 days in 2003, an increase in the completed interval of 18.3%. This decline in the Average Completed Interval continued into 2004, with a yearly average of 3.0 days, an increase in the completed interval of 40.8%.

B. Held Order Interval (JPSA) Residence and Business Customers

The average Held Order Interval for residence customers increased from a yearly average of 36.0 days in 2002 to a yearly average of 36.2 days in 2003, an increase of 0.75%. However, in 2004, the yearly average showed improvement by decreasing by 25% to 27.1 days.

The average Held Order Interval for business customers increased by a greater magnitude, from a yearly average of 33.99 days in 2002 to a yearly average of 39.69 days, an increase of 16.77%. However, in 2004, the yearly average showed improvement by decreasing 30% to 25.58 days.

C. Percent of Trouble Not Resolved Within the Estimated Time (Dispatched –JPSA) Business Customers

The Percent Trouble Not Resolved Within the Estimated Time for Business customers increased from a yearly average of 9.98% in 2002 to a yearly average of 11.10%, an increase of 11.22%. This trend showing a slight decrease in the quality of service continues into 2004 where the yearly average increased to 11.87%, an increase of 7%.

VI. Remaining Measures Showing Decline in Quality of Service

There are additional measures listed in Attachment I that show a decline in the quality of providing that service that are not mentioned in the sections above. The reason for this is that although the percent change from the Base year to the Test year appears significant, the actual magnitude of the change is quite small. For example, the measure, Percent Troubles Within 10 Days for POTS Orders, shows a decline of 35.14% for residence customers between 2002 and 2003. However, the actual change is 0.52%, from 1.46% in 2002 to 2.00% in 2003. TD does not feel it is necessary to address these measures individually.

VII. Conclusions

After review of the base year data and test year data for the measures listed in Section I, above, there are no indications of serious deterioration in service for the majority of the measures. TD did identify five specific measures for which reported data indicated serious issues with the provision of those services when the test year data was compared to the base year data. However, when 2004 data was taken into consideration, the results for three of those measures indicated a significant improvement in service quality. Those three measures are Business Office Average Answer Time (secs), Business Office Percent Calls Abandoned, and, Business Office Percent Calls Receiving Busy Signals.

The two measures for which the reported data indicated serious performance issues when the test year data was compared to the base year data, and when 2004 data was taken into consideration, continued to show a trend of deteriorating service quality are Percent Services Restored Within 24 Hours for both Residence and Business customers using both MCOT Report Data and JPSA Report Data. As discussed above, MCOT data show that Residence customers had their service restored within 24 hours an average of 67.2% in 2002, 61.7% in 2003, and 60% in 2004. JPSA data shows the same trend, though not as extreme as shown by MCOT data.

Business customers fared significantly better than residence customers with MCOT data showing that they had their service restored within 24 hours an average of 88%, in 2002, 86% in 2003, and 78% in 2004, however, the data shows a noticeable downward trend in service quality. Again, the JPSA data shows the same trend, though not as extreme as shown by MCOT data.

In conclusion, TD was not able to draw a direct correlation between the decline in service quality identified by the comparison of base year data and test year data and the reduction in workforce as was the purpose of this proceeding. This report simply reports the results of the analysis of test year and base year data which TD was required to perform as directed in this proceeding.

(END OF ATTACHMENT A)

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Requiring Parties to Indicate Whether this Proceeding Should be Terminated on all parties of record in this proceeding or their attorneys of record.

Dated October 21, 2005, at San Francisco, California.

/s/ KRIS KELLER

Kris Keller

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

* *

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.